*BY ORDER OF THE*
*SECRETARY OF THE AIR FORCE*

*AIR FORCE INSTRUCTION 63-111*

*21 OCTOBER 2005*

*Acquisition*

# *CONTRACT SUPPORT FOR SYSTEMS, EQUIPMENT AND END-ITEMS*

**COMPLIANCE WITH THIS PUBLICATION IS MANDATORY**

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This Air Force Instruction (AFI) implements requirements contained in Air Force Policy Directive (AFPD) 20-5, *Air Force Product Support Planning and Management* and AFPD 63-1, *Capability-Based Acquisition System*. It provides guidance on contract support (CS) for systems, equipment and end-items or for their modification/upgrade. This instruction applies to all Air Force (AF) personnel, including those in Air Force Reserve Command (AFRC) and Air National Guard (ANG) components, who plan and implement logistics support activities.

AF publications referenced in this AFI are available at: **http://www.e-publishing.af.mil/**.

Records created as a result of processes prescribed in this AFI shall be maintained in accordance with (IAW) AFPD 37-1, *Air Force Information Management*, and Air Force Manual (AFMAN) 37-123, *Management of Records*, and disposed of IAW *AF Records Disposition Schedule* (RDS).

## *SUMMARY OF REVISIONS*

Streamlines text by focusing on policy, requirements and eliminating unnecessary redundant guidance. Updates terminology consistent with revised Department of Defense (DOD) 5000 series guidance. Applicability of AFI 63-107, *Integrated Product Support Planning and Assessment*, for product support is re-enforced.

Revisions within this AFI will not to result in an increase in manpower requirements.

**1. Purpose.** Provides guidance for implementing and managing product CS for systems, equipment and end-items. This instruction complements AFI 63-107, *Integrated Product Support Planning and Assessment*. Requirements contained in AFI 63-107, unless otherwise stipulated, also pertain to CS; e.g., Title 10 USC 2464, *Core Logistics Capabilities* and Title 10 USC 2466, *Limitations on the Performance of Depot-level Maintenance of Materiel* (50/50); performance based logistics (PBL) requirements; and life cycle support concepts.

**2. CS Applicability.** CS applications include: pre-operational support (POS), interim contract support (ICS), contract sustainment support (CSS) and total contract training (TCT).

**3. CS Requirements.** The system program manager (SPM), the DOD Directive 5000.1 program manager, in collaboration with the testing organization, lead command and using commands shall identify the needed CS requirements and make provisions to ensure visibility of direct contractor costs for each type of logistics support material and service that is being provided (e.g., materiel management, configuration management, data management, supply, distribution, repair, calibration, depot maintenance and operating command organizational maintenance). CS shall, to the maximum extent, be consistent with AF format standards and be compatible with AF management and data collection systems. The lead command and using commands will plan, program and budget for their portion of the CS costs and any associated CS requirements for the sustainment of weapon systems.

3.1. POS may be used to support test and evaluation efforts; system risk reduction and demonstration; production readiness, or other temporary periods during the acquisition or modification of a system, equipment or end-item. POS requirements shall be addressed by the SPM during Milestone A and defined prior to Milestone B.

3.2. ICS is a temporary support method for an initial period of the operation of the system, equipment or end-item. ICS strategy is utilized for controlling capital investment costs while design stability is being achieved and complex logistics support elements are being developed. It also may be used when there is uncertainty in the type and level of support required due to system, equipment or end-item design instability that may put the logistics support elements at risk (i.e., becoming obsolete if procured too early).

3.2.1. The ICS strategy documentation shall include a plan for transition of ICS to organic or contract or a combination of contract and organic sustainment. The SPM shall identify and document beginning and ending dates of the ICS in the Life Cycle Management Plan (LCMP), or other program planning/strategy documents if an LCMP is not applicable to a program.

3.2.2. If the prime contractor is to accomplish ICS on all or part of the system, equipment or end-items being acquired, the SPM shall incorporate the ICS requirements into the prime acquisition contract.

3.2.3. ICS does not negate the SPM's responsibility to achieve an organic and/or a CSS capability as early as practicable; or the requirement for testing and/or demonstrating the adequacy of a system, equipment or end-item.

3.3. CSS can be used for materiel management, configuration management, data management, supply, distribution, repair, calibration, depot maintenance, operating command organizational maintenance (and other levels as negotiated), and many other operations and maintenance tasks normally performed by an organic support activity for all or part of the logistics support required by a system,

equipment or end-item. Applications include the support of government-owned systems, equipment, end-items, research and development (R&D) prototypes converted to operational use and other instances where Air Force Materiel Command (AFMC) organic life cycle logistics support is not planned. Sustainment support could be for the life cycle or may be replaced by organic support if determined more appropriate. Support decisions shall be based on analyses, such as a Business Case Analyses (BCAs), and be in the best interest of the AF.

3.3.1. Support requirements shall be executed using the types of funds and funding level approved by the lead and/or using commands.

3.3.2. The SPM shall provide the lead command and using commands with copies of obligation documents and expense reports in the format and frequency as agreed to by the SPM and commands.

3.3.3. The SPM shall provide the lead command and using commands program estimates twice each fiscal year in conjunction with the budget execution reviews or budget estimate submission in a format as agreed to by the SPM and commands.

3.3.4. CSS requirements will be identified using the appropriate process for the type of funding being used for the specific purpose. Usually, when the funding is for multiple sustainment elements, the source of funds is operation and maintenance (O&M) appropriations using the Air Force Element of Expense (AFEE) 578, contractor logistics support (CLS). In some cases, multiple contract sustainment support is provided with AFEE 592, Miscellaneous Contract Services funds. When support is for a single sustainment element, the source of funds is usually the one for the specific element, such as: AFEE 583 for sustaining engineering by contract, AFEE 594 for contract technical data, AFEE 560 or 54x (depending on the commodity) for depot maintenance provided through the Depot Purchased Equipment Maintenance (DPEM) program.

3.3.5. For CLS (AFEE 578) the SPM shall document the defined support requirements annually in a requirements brochure using the weapon systems management support database program. The CLS brochure shall include the actual and forecasted CLS requirements over a nine-year period (i.e., current year, planning year, plus seven projected years). As a minimum, the CLS brochure shall match all sustainment requirements to the costs associated with maintenance labor, engineering, technical data (including technical order maintenance and documentation), support equipment, calibration, facilities, training, spares replenishment or repair, parts obsolescence or diminishing manufacturing sources (DMS) and projected depot maintenance (split into contractor and public-private partnership (PPP) workload) content to support the “50/50” depot maintenance workload reporting requirements. All items that make up the requirements in the CLS brochure will be identified as individual tasks/sub-tasks. Additional requirements may be listed as determined by the SPM and the operating major commands (MAJCOMs). After coordination is complete, the SPM, lead command and using commands will agree on methods of access to the approved brochure, e.g., posted to the CLS community of practice website.

3.4. TCT, as applied in this AFI, is to provide a contractor-operated performance-based training system. TCT may be utilized when the lead command, after coordination with the SPM and validation by the using commands, specifies the desired level of training, objectives and learning outcomes (to include metrics for assessing the accomplishment of objectives and outcomes). The SPM shall ensure that the supported system’s TCT is defined and that its devices and logistics support elements will provide students to the users’ defined training objectives.

3.4.1. The SPM, with collaboration from the lead command, shall accomplish the analysis for determining the use of TCT or organic support. (NOTE: See paragraph **7.** concerning support to training devices.) This analysis shall be coordinated with and provided to the appropriate functional office for systems training at Headquarters (HQ) Air Education and Training Command (AETC) and HQ AFMC. The lead command, in collaboration with using commands, shall document in the operational requirements the numbers of persons or crews to train and the required skill level or qualifications of the students at training completion. The acquiring organization shall implement the lead command's documented defined level of training and the desired learning outcome(s).

3.4.2. Other than Government furnished property (GFP) and/or Government furnished information (GFI), the SPM shall ensure provisions are made for the TCT contractor to provide the management, instructors, curriculum, courseware, facilities, trainers, and logistics support required to meet requirements.

3.4.3. For GFP/GFI provided through the TCT contract, the SPM shall ensure provisions are made to maintain and make Government approved changes (e.g., engineering and software updates) to GFP and for control of intelligence GFI IAW AFI 14-303, *Release of Intelligence to US Contractors.*

3.5. Contractor Supported Weapon System (CSWS) (formally RSSP) is a new approach to bring spare parts into the government inventory. CSWS is a supply support approach for integrating contractor inventory control points into the AF's supply support structure with the overall goal of achieving combat readiness. Under CSWS, a contractor is the inventory control point (ICP) and source of supply (SOS) of peculiar spare parts that apply to an entire system during interim supply support. At the end of the interim supply support period, the concept is to transition the spares support directly into replenishment spares. All personnel actively involved in the acquisition of initial and follow-on spares should become familiar with the nine steps, five tenets, and supporting activities that are outlined in the CSWS Guide as referenced in AFI 63-101, *Operations of Capabilities Based Acquisition System*. SPMs shall assess their respective CSWS relative to Title 10 USC 2464 and Title 10 USC 2466 and consider PPPs for depot maintenance in order to satisfy Core capability or 50/50 depot maintenance workload requirements.

3.6. AFPD 63-5, *Quality Assurance,* applies to CS material and services. For additional guidance, refer to AFI 63-124, *Performance-Based Services Acquisition* and AF Federal Acquisition Regulation Supplement 5346.103.

**4. Decision Support.** The SPM is responsible for the product support strategy and associated documentation in an LCMP or other program planning/strategy documents if an LCMP is not applicable to a program. Refer to AFI 63-101 and AFI 63-107, *Integrated Product Support Planning and Assessment*, for additional information.

4.1. The SPM shall coordinate CS activities with all stakeholders; e.g., lead command (see AFPD 10-9, *Lead Operating Command Weapons Systems Management* and AFI 10-901, *Lead Operating Command - Communications and Information Systems Management*); using commands (e.g., see AFPD 36-22, *Air Force Military Training*); assigned Air Logistics Center (ALC) and the AF product group manager (PGM) for metrology and calibration, Air Force Metrology and Calibration Detachment 1 (WR-ALC) (AFMETCAL Det 1). The SPM shall obtain AFMETCAL PGM approval prior to

contracting for commercial calibration services or when deviating from currently established calibration support plans IAW AFI 21-113, *Air Force Metrology and Calibration (AFMETCAL) Program.*

4.2. CS personnel may use existing base (installation) level support as designated by the procuring contracting officer (PCO).

4.2.1. The SPM shall coordinate and obtain MAJCOM agreement on unit, base or MAJCOM support requirements and ensure the agreed-to support requirements are included in the CS contract.

4.2.2. If the contractor is operating a support site at a base (installation) location, the SPM shall ensure the contract identifies the:

4.2.2.1. Support elements associated with the support site for which the AF is responsible (e.g., facility maintenance, data, utility, security). If the base (installation) maintains the GFP, clearly identify the procedures to the contractor to obtain maintenance and GFI necessary for proper equipment operation.

4.2.2.2. Environmental, safety and occupational health practices that must be complied with that are specific to the AF installation.

4.2.3. The CS contractor shall maintain the GFP as required by the appropriate technical orders and return equipment in serviceable condition unless otherwise contractually specified.

4.3. Management attention to weapon system critical safety items (CSIs) is required from design to disposal. Although CSIs represent a small percentage of replenishment parts, the potential failure or absence of CSIs poses unacceptable risk to both personnel and hardware. For additional information concerning CSIs refer to DOD 4140.1-R, paragraph C.8.5.

**5. CS Funding.**

5.1. The lead command, as required for systems management by AFPD 10-9, and using commands are responsible for programming and budgeting the appropriate funding to be used for each CS activity (including transportation working capital and/or second destination transportation funding); see AFI 65-601V1, *Budget Guidance and Procedures* for additional detail.

5.2. The SPM, or designated representative, shall conduct periodic analysis of unliquidated obligation(s) (ULO) balances to ensure deobligation of funds without a valid requirement. The analysis shall as a minimum include: ULO balances, reason each ULO exists, estimated date of liquidating the ULO balances and any amount to be deobligated.

5.2.1. For programs using the Transportation Working Capital Fund, to ensure funds are expended in the year given, the SPM (or designated representative) shall additionally track expenses and conduct periodic analysis of accrued expenditures unpaid (AEU) balances. The analysis shall include AEU balances, reason for AEU balance, estimated date of moving AEU, accrued expenses paid (AEP) and any amount that will be expensed in the following year.

5.2.2. The SPM shall ensure the lead command and using commands, as appropriate, are informed of the ULO and AEU analysis results.

5.3. The contract may authorize procurement of non-GFP investment items, which shall become Government property upon completion of contract performance, to support a CS contract requirement if: the lead command concurs, specifically identified and authorized by the contract and cost is amortized over charges for accomplishing the CS actions.

5.4. The contract shall require the contractor to provide qualified trained personnel to perform the actions described in the CS contract. A contractor, if authorized by the CS contract, may amortize cost for specialized training required to accomplish the CS actions over the length of the contract. This does not preclude the AF from providing orientation training to the contractor on AF procedures, processes and practices.

**6. Procurement of Commercial Derivative/Hybrid Aircraft Support and Maintenance of Air Traffic Control and Landing Systems (ATCALS).**

6.1. CS for commercial derivative/hybrid aircraft shall adhere to Federal Aviation Administration maintenance standards, directives, and bulletins to the maximum extent practical for commercial derivative aircraft, IAW respective manufacturer's maintenance manuals, military technical manuals, approved maintenance concept, and the maintenance contract. For further information, see AFI 21-107, *Maintaining Commercial Derivative Aircraft*; AFPD 10-9, *Lead Operating Command Weapon Systems Management*; AFPD 62-5, *Standards of Airworthiness for Commercial Derivative Hybrid Aircraft*; and AFPD 62-4, *Standards of Airworthiness for Passenger Carrying Commercial Derivative Transport Aircraft*. Operational Safety, Suitability and Effectiveness (OSS&E) product baseline shall be preserved IAW AFPD 63-12, *Assurance of Operational Safety, Suitability and Effectiveness;* AFI 63-1201, *Assurance of Operational Safety, Suitability, and Effectiveness*.

6.2. Support for ATCALS shall adhere to the requirements of AFI 13-204, *Functional Management of Airfield Operations*.

**7. Training Devices.** Life of system CS is mandatory for all training devices (the term training devices does not include trainer aircraft.), unless HQ United States Air Force (USAF), Deputy Chief of Staff, Installations and Logistics, Director of Maintenance has approved a waiver. The SPM is responsible to ensure the CS maintains the configuration for training devices functionally equivalent to the system, equipment or program they serve.

DONALD J. WETEKAM, Lt General, USAF
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## Attachment 1

## GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

***References***

Federal Acquisition Regulation Part 45 and Air Force FAR Supplement (AFFARS) 5345

Air Force Policy Directive 10-9, *Lead Operating Command Weapon Systems Management*

Air Force Policy Directive 20-5, *Air Force Product Support Planning and Management*

Air Force Policy Directive 36-22, *Air Force Military Training*

Air Force Policy Directive 37-1, *Air Force Information Management*

Air Force Policy Directive 62-4, *Standards of Airworthiness for Passenger Carrying Commercial Derivative Transport Aircraft*

Air Force Policy Directive 62-5, *Standards of Airworthiness for Commercial Derivative Hybrid Aircraft*

Air Force Policy Directive 63-1, *Capability-Based Acquisition System*

Air Force Policy Directive 63-5, *Quality Assurance*

Air Force Policy Directive 63-12, *Assurance of Operational Safety, Suitability and Effectiveness*

Air Force Policy Directive 99-1, *Test and Evaluation Process*

Air Force Instruction 10-601, *Capabilities Based Requirements Development*

Air Force Instruction 10-901, *Lead Operating Command--Communications and Information Systems Management*

Air Force Instruction 13-204, *Functional Management of Airfield Operations*

Air Force Instruction 14-303, *Release of Intelligence to US Contractors*

Air Force Instruction 21-101, *Aerospace Equipment Maintenance Management*

Air Force Instruction 21-107, *Maintaining Commercial Derivative Aircraft*

Air Force Instruction 21-113, *Air Force Metrology and Calibration (AFMETCAL) Program*

Air Force Instruction 63-101, *Operations of Capabilities Based Acquisition System*

Air Force Instruction 63-107, *Integrated Product Support Planning and Assessment*

Air Force Instruction 63-124, *Performance-Based Services Acquisition*

Air Force Instruction 63-501, *Air Force Acquisition Quality Program*

Air Force Instruction 63-1201, *Assurance of Operational Safety, Suitability, and Effectiveness*

Air Force Instruction 65-601V1, *Budget Guidance and Procedures*

Air Force Instruction 99-103, *Capabilities Based Test and Evaluation*

Air Force Manual 37-123, *Management of Records*

*Abbreviations and Acronyms*

**AEP—**accrued expenses paid

**AETC—**Air Education and Training Command

**AEU—**accrued expenditure unpaid

**AF—**Air Force

**AFDPO—**Air Force Departmental Publishing Office

**AFI—**Air Force instruction

**AFMAN—**Air Force manual

**AFMC—**Air Force Materiel Command

**AFMETCAL—**Air Force Metrology and Calibration

**AFPD—**Air Force policy directive

**AFRC—**Air Force Reserve Command

**ALC—**Air Logistics Center

**ANG—**Air National Guard

**ATCALS—**Air Traffic Control and Landing Systems

**BCA—**business case analysis

**CLS—**contractor logistics support

**CS—**contract support

**CSI—**critical safety item

**CSS—**contract sustainment support

**CSWS—**contractor supported weapon system

**DOD—**Department of Defense

**DMS—**diminishing manufacturing sources

**DPEM—**depot purchased equipment maintenance

**e.g.—**exempli gratia (meaning: for example)

**GFI—**Government furnished information

**GFP—**Government furnished property

**HQ—**headquarters

**IAW—**in accordance with

**ICP—**inventory control point

**ICS—**interim contract support

**LCMP—**life cycle management plan

**i.e.—**id est (meaning: that is)

**MAJCOM—**major command

**O&M—**operation and maintenance

**OSS&E—**operational safety, suitability and effectiveness

**PBL—**performance-based logistics

**PCO—**procuring contracting officer

**POS—**pre-operational support

**PPP—**public-private partnership

**R&D—**research and development

**RDS—**records disposition schedule

**SOS—**source of supply

**SPM—**system program manager

**TCT—**total contract training

**ULO—**unliquidated obligation

**US—**United States

**USAF—**United States Air Force

**USC—**United States Code

**www—**World Wide Web

***Terms***

**Appropriation—**Funding appropriated by an Act of Congress that permits a department or agency to obligate the United States (US) Government to pay money for goods or services to support a specific task.

**Contractor logistics support—**CSS using AFEE 578.

**Contract support—**A generic term for the support of a system, equipment and/or end-item provided by a commercial vendor pending transition to or in lieu of organic support.

**Contract sustainment support —**A planned CS method used to provide all or part of the logistics support elements for a system, equipment or end item for extended periods of time or for the life of the system, equipment or end item.

**Contractor supported weapon system—**A supply support approach for integrating contractor inventory control points into the AF's supply support structure with the overall goal of achieving combat readiness. Applies to systems/equipment that have an AF maintenance plan and/or a deployment requirement; provides guidance for integrating contractors into the AF warfighting team.

**Interim contract support—**A temporary support method for an initial period of operation for a system, equipment or end-item.

**Lead command—**The lead command is the designated single advocate for all requirements for that weapon system possessed by the lead command and other MAJCOMs and agencies.

**Modification—**An alternative to a produced material item applicable to aircraft, missiles, support equipment, trainers, etc. The alternative changes, as a minimum, the form, fit or function of the item.

**Organic—**As used in this document, refers to logistics support that is provided by Government owned material/equipment/facilities and Government personnel.

**Pre-operational Support—**Support for test and evaluation efforts; system risk reduction and demonstration; production readiness or other temporary periods during the acquisition or modification of a system, equipment or end-item.

**Safety—**The criteria necessary to ensure freedom from conditions that can cause death, injury, occupation illness, damage to or loss of equipment or property, or damage to the environment.

**Support Equipment—**All equipment required for performing the support function except that which is an integral part of the system, equipment or end-item. (Does not include equipment required to perform mission operation functions.)

**Total Contract Training—**(used for this publication only) A CS method to provide a contractor-operated performance-based training system.

**Training Devices—**Training devices are aircrew training systems, maintenance training systems, ground based training systems, training devices for mission command and control, training equipment, range/scoring systems, maintenance trainers, physiological/aeromedical and treatment devices, space and missile training devices/systems, etc., which provide individual training for personnel assigned as pilots, navigators, radar operators, flight engineers, maintenance personnel, boom operators, load masters, gunners, and/or crew training in aspects of the operational mission. The term “training devices” does not include trainer aircraft.

**Using Command—**The using commands are the ultimate operators of a system. Also known as the operating commands; however, there are exceptions, e.g., Air Combat Command can be the using command for a reconnaissance satellite for which Air Force Space Command is the operating command.

**Unstable Design—**A design that has a potential for change and may require additional engineering and testing in order to meet the design specification requirements for operational performance, producibility, maintainability or reliability.